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# Conference Highlights to Accompany H.R. 2863, Department of Defense Appropriations Bill for FY 2006

*On December 19, 2005, the conference report, H. Report 109-359 was filed.*

### Noteworthy

- The conference report provides \$453.28 billion in new obligational authority for the Department of Defense. Excluding contingency operations funding, the conference agreement is \$4.5 billion under the President's FY 2006 budget request of \$407.9 billion and reflects an increase of \$12.3 billion over amounts provided in the FY 2005 Defense Appropriations Act.
- The conference report provides \$50.0 billion in additional appropriations for operations in Iraq and Afghanistan, of which \$1 billion is for National Guard and Reserve equipment. These funds are made available pursuant to section 402 of the FY06 concurrent budget resolution.
- The conference report fully funds key readiness programs critical to the Global War on Terrorism. It also provides funding for a 3.1-percent, across-the-board pay raise for military personnel.
- The conference report also includes \$29.00 billion for hurricane relief and \$3.79 billion for avian flu protection. (Division B & E). Both funding provisions are fully offset by reallocations from the Federal Emergency Management Disaster Relief Fund (\$23.40 billion), a 1-percent, across-the-board cut in FY06 discretionary spending (\$8.50 billion) and other rescissions (\$1.00 billion). Veterans Affairs funding and combat operations in Iraq and Afghanistan are exempt from the across-the-board cut.
- The conference report contains Senate-passed language (originally offered by Senator McCain) that prohibits U.S. personnel from engaging in "cruel, inhuman, or degrading" treatment of detainees.
- The conference report includes a provision that allows lease sales to produce 10.4 billion barrels of oil from the Arctic National Wildlife Refuge (Divisions C & D).

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## **Highlights**

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	<b><u>FY06 Bush Request</u></b>	<b><u>FY06 Conference Report</u></b>
<b>Title I – Military Personnel</b>	<b>\$98.23 billion</b>	<b>\$97.00 billion</b>
<b>Title II – Operation and Maintenance</b>	<b>\$126.90 billion</b>	<b>\$123.62 billion</b>
<b>Title III – Procurement</b>	<b>\$76.64 billion</b>	<b>\$76.54 billion</b>
<b>Title IV – Research, Development, Test and Evaluation</b>	<b>\$69.36 billion</b>	<b>\$72.13 billion</b>
<b>Title V – Revolving and Management Funds</b>	<b>\$3.11 billion</b>	<b>\$2.24 billion</b>
<b>Title VI – Other Department of Defense Programs</b>	<b>\$22.30 billion</b>	<b>\$22.75 billion</b>
<b>Title VII – Related Agencies</b>	<b>\$599.4 million</b>	<b>\$666.9 million</b>
<b>Title VIII – General Provisions (net)</b>	<b>\$63.0 million</b>	<b>-\$2.15 billion</b>
<b>Title X – Additional Appropriations Contingency</b>	<b>\$0</b>	<b>\$50.00 billion</b>

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## **Bill Provisions**

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### **Division A – Department of Defense Appropriations Act, 2006**

#### **Title I – Military Personnel**

Title I provides \$97.00 billion for the Department's Military Personnel, which is \$1.24 billion below the Administration's request and \$6.73 billion below the FY05 enacted level. This funding provides basic pay and allowances, clothing, subsistence, other personnel costs for the uniformed members of the armed forces, and the Department of Defense Military Retirement Fund.

## **Title II – Operation and Maintenance**

Title II provides \$123.62 billion for Operation and Maintenance, which is \$3.29 billion below the Administration's request, but \$2.55 billion above the FY05 enacted level. Significant spending accounts include the following:

### **Operation and Maintenance:**

**Conference Report:** Provides \$121.72 billion.

**Senate Committee-Reported Bill:** Provided \$123.06 billion for the armed forces and defense agencies to prepare for and conduct combat and peacetime missions. Funds are divided between the Army, Navy, Marines, and Air Force, their respective Reserves, Defense-Wide, the Army National Guard, and the Air National Guard. Funds are used for purposes such as purchasing fuel and spare parts for training operations and repair of weapons and facilities.

### **U.S. Court of Appeals for the Armed Forces:**

**Conference Report:** Provides \$11.2 million.

**Senate Committee-Reported Bill:** Provided \$11.2 million for salaries and expenses for the U.S. Court of Appeals for the Armed Forces, which fully funds the Administration's request and is \$411,000 above the FY05 enacted level.

### **Environmental Restoration:**

**Conference Report:** Provides \$1.40 billion.

**Senate Committee-Reported Bill:** Provided \$1.43 billion for environmental restoration. The funds specifically are provided to the: Army, Navy, Air Force, Defense-Wide, and formerly used defense sites.

### **Overseas Humanitarian, Disaster, and Civic Aid:**

**Conference Report:** Provides \$61.5 million.

**Senate Committee-Reported Bill:** Provided \$61.5 million for Overseas Humanitarian, Disaster, and Civic Aid, which is equal to the Administration's request and \$2.5 million above the FY05 enacted levels.

## **Title III – Procurement**

Title III provides \$76.54 billion for Procurement, which is \$90.0 million below the Administration's request and 1.14 billion below the FY05 enacted level. Significant spending accounts include the following:

### **Aircraft:**

**Conference Report:** Provides \$2.65 billion for **Army** procurement. Included in these funds is \$678.1 million for the CH-47 Helicopter and \$659.6 million for the Blackhawk. Also provides \$9.77 billion for **Navy** procurement and \$12.74 billion for **Air Force** procurement, including \$20 million for JSF advance procurement, and \$3.7 billion for the F-22.

**Senate Committee-Reported Bill:** Provided \$2.56 billion for **Army** procurement, which is \$238.4 million below the Administration's request and is \$292.1 million below the FY05 enacted level. Included in these funds is \$655.8 million for the CH-47 Helicopter, which is \$4.5 million above the Administration's request. Provided \$9.88 billion for **Navy** procurement, which is \$636.6 million below the Administration's request, but \$968.4 million above the FY05 enacted level. Provided \$12.72 billion for **Air Force** procurement, which is \$755.5 million above the Administration's request, but \$918.8 million below the FY05 enacted level.

### **Weapons/Missiles:**

**Conference Report:** Provides \$1.21 billion for **Army** procurement; \$2.66 billion for **Navy** procurement; and \$5.17 billion for **Air Force** procurement

**Senate Committee-Reported Bill:** Provided \$1.21 billion for **Army** procurement, which is \$55.9 million below the Administration's request, and \$92.1 million below the FY05 enacted level. Provides \$2.59 billion for **Navy** procurement, which is \$114.5 million below the Administration's request but \$478.6 million above the FY05 enacted level. Provided \$5.07 billion for **Air Force** procurement, which is \$421.3 million below the Administration's request, but \$610.9 million above the FY05 enacted level.

### **Ammunition:**

**Conference Report:** Provides \$1.73 billion for **Army** procurement; \$851.8 million for **Navy** procurement; and \$1.02 billion for **Air Force** procurement.

**Senate Committee-Reported Bill:** Provided \$1.71 billion for **Army** procurement, which is \$12.2 million below the Administration's request, but \$117.7 million above the FY05 enacted level. Provided \$832.8 million for **Navy** procurement, which is \$40.1 million below the Administration's request and \$55.5 million below the FY05 enacted level. Provided \$996.1 million for **Air Force** procurement, which is \$35.1 million below the Administration's request and \$331.3 million below the FY05 enacted level.

### **Shipbuilding:**

**Conference Report:** Provides \$9.03 billion. The agreement fully funds the DD-X, and adds \$440 million for two additional LCS vessels of the Littoral Combat System (LCS) and \$62 million for CVN-21.

**Senate Committee-Reported Bill:** Provided \$8.67 billion for Navy shipbuilding, which is \$43.2 million below the Administration's request and \$1.75 billion below the FY05 enacted level.

**Other:**

**Conference Report:** Provides \$4.59 billion for other **Army** procurement; \$5.44 billion for other **Navy** procurement; \$1.40 billion for **Marine Corps** procurement; \$14.06 billion for other **Air Force** Procurement; and \$2.57 billion for **Defense-Wide** procurement.

**Senate Committee-Reported Bill:** Provided \$4.43 billion for other **Army** procurement. Provides \$5.29 billion for other **Navy** procurement. Provided \$1.36 billion for **Marine Corps** procurement. Provides \$14.05 billion for other **Air Force** Procurement. Provided \$2.57 billion for **Defense-Wide** procurement.

**Defense Production Act Purchases:**

**Conference Report:** Provides \$58.2 million.

**Senate Committee-Reported Bill:** Provided \$68.5 million for Defense Production Act Purchases, which is \$49.0 million above the Administration's request and \$25.8 million above the FY05 enacted level.

## **Title IV – Research, Development, Test and Evaluation**

Title IV provides \$72.13 billion for Research, Development, Test and Evaluation (RDT&E), which is \$2.78 billion above the Administration's request and \$2.20 billion above the FY05 enacted level. Significant spending accounts include the following:

**Army RDT&E:**

**Conference Report:** Provides \$11.17 billion. Included in this funding is \$3.20 billion for the Army's Future Combat System.

**Senate Committee-Reported Bill:** Provided \$10.52 billion for Army RDT&E, which is \$791.2 million above the Administration's request. Included in this funding is \$3.30 billion for the Army's Future Combat System.

**Navy RDT&E:**

**Conference Report:** Provides \$18.99 billion. Fully funds research and development efforts for the DD-X program.

**Senate Committee-Reported Bill:** Provided \$18.55 billion for Navy RDT&E, which is \$513.9 million above the Administration's request. Fully funds research and development efforts for the DD-X program.

### **Air Force RDT&E:**

**Conference Report:** Provides \$22.00 billion. Funding is provided for several Department of Defense space satellite programs and the Joint Strike Fighter program. Consistent with the authorizing committee's work to this point, the Appropriations Committee does not fund the \$4.5 million request for an Air Force led study of the integration of the Robust Nuclear Earth Penetrator ("RNEP") on its delivery platform.

**Senate Committee-Reported Bill:** Provided \$21.86 billion for Air Force RDT&E, which is \$753.3 million below the Administration's request.

### **Defense-Wide RDT&E:**

**Conference Report:** Provides \$19.80 billion. Included in this funding is \$3 billion for Defense Advanced Research Projects Agency programs and \$7.8 billion for missile defense.

**Senate Committee-Reported Bill:** Provided \$19.30 billion for Defense-Wide RDT&E, which is \$498.2 million above the Administration's request. Included in this funding is \$2.92 billion for Defense Advanced Research Projects Agency programs and \$7.94 billion for the Missile Defense Agency, which is nearly \$1.0 billion below the FY05 enacted level.

### **Operational Test and Evaluation, Defense:**

**Conference Report:** Provides \$168.5 million.

**Senate Committee-Reported Bill:** Provides \$168.5 million for independent activities of the Director of Operational Test and Evaluation, which is equal to the Administration's request, but is \$146.4 million below the FY05 level.

## **Title V – Revolving and Management Funds**

Title V provides \$2.24 billion for Revolving and Management Funds, which is \$875.8 million below the Administration's request and \$134.8 million below the FY05 enacted level. This funding includes \$1.15 billion for Defense Working Capital Funds and \$1.09 billion for the National Defense Sealift Fund.

## **Title VI – Other Department of Defense Programs**

Title VI provides \$22.75 billion for a range of Department programs. This funding includes \$20.22 billion for the Defense Health Program, which includes \$12.6 million for the Blast Injury Prevention, Mitigation, and Treatment Initiative to increase research, diagnosis and treatment for service members afflicted with these types of injuries; \$1.40 billion for Army Chemical Agents and Munitions Destruction; \$917.7 million for Drug Interdiction and Counter-Drug Activities; and \$209.7 million for the Office of the Inspector General.

## **Title VII – Related Agencies**

Title VII provides \$666.9 million for several related agencies. This funding includes \$244.4 million for the Central Intelligence Agency Retirement and Disability System Fund, and \$413.3 million for the Intelligence Community Management Account.

## **Title VIII – General Provisions**

Title VIII includes proposals that have been incorporated into previous appropriations bills, provisions requested by DoD, and new provisions. Title VIII also includes \$405.7 million in rescissions.

## **Title IX – Matters Relating to Detainees**

The Conference Agreement includes the language agreed to by Senator McCain and the White House on the treatment of detainees.

The Detainee Treatment Act of 2005 (DTA) has three main purposes: 1) to provide for uniform standards for the interrogation of persons under the detention of the Department of Defense; 2) to prohibit cruel, inhuman, or degrading treatment or punishment of persons under the custody or control of the U.S. Government, and 3) to provide procedures for the legal review of detainees held by the Department at Guantanamo Bay, Cuba.

- DTA provides for uniform standards for the interrogation of persons under the detention of the Department of Defense, namely the Army Field Manual on Intelligence Interrogation.
- DTA prohibits cruel, inhuman, or degrading treatment or punishment of persons under the custody or control of the U.S. Government.
- DTA provides an affirmative defense in any civil action or criminal prosecution against an officer, employee, member of the armed forces, or other agent of the U.S. Government, who is a U.S. person, arising out of the person's detention or interrogation practices involving aliens who the President or his designees have determined are believed to be engaged in or associated with international terrorist activity. If the practices were officially authorized and determined to be lawful at the time they were conducted, it would be a defense that the person did not know that the practices were unlawful and that a person of ordinary sense and understanding would not know that they were unlawful.
- The DTA authorizes the United States Government to provide or employ counsel, pay counsel fees, court costs, bail, and other expenses incident to the representation of any such person with respect to any civil action or criminal prosecution arising out of these detention or interrogation practices.

The DTA addresses the procedures for legal review of detainees held by the Department.

- It requires the Secretary of Defense to require the Secretary of Defense to submit the Department's for status review of detainees to Congress.
- It would also require that the Designated Civilian Official be a civilian officer of the Department of Defense appointed by the President with the advice and consent of the Senate.
- It would require that a CSRT and ARB for detainees at Guantanamo Bay, Cuba determine whether any statement derived from or relating to a detainee was obtained as a result of coercion.
- Subsection (e) would provide for judicial review of detainees held at Guantanamo Bay, Cuba. The relevant subsection amends the habeas corpus statute to provide that no court shall have jurisdiction to hear or consider an application for a writ of habeas corpus, or any other action against the United States filed by or on behalf of an alien detained by the Department at Guantanamo Bay relating to any aspect of such detention.

DTA requires the Secretary of Defense to ensure that all personnel of Iraqi military forces who are trained by Department personnel or contractors receive training regarding the international obligations and laws applicable to the humane detention of detainees, including protections afforded under the Geneva Conventions and the Convention against Torture.

## **Title X – Additional Appropriations**

Title IX provides \$50.0 billion in additional appropriations for costs related to the Global War on Terror. Pursuant to section 402 of H. Con. Res. 95 (109<sup>th</sup> Congress), all of the funding has been designated as emergency funding. This funding ensures that our troops will have the necessary resources when they need them.

### **Military Personnel:**

**Conference Report:** Provides \$6.21 billion.

**Senate Committee-Reported Bill:** Provides \$6.21 billion for military personnel.

### **Operation and Maintenance:**

**Conference Report:** Provides \$33.22 billion.

**Senate Committee-Reported Bill:** Provides \$32.41 billion for O&M accounts.

### **Procurement:**

**Conference Report:** Provides \$7.98

**Senate Committee-Reported Bill:** Provides \$9.85 billion for procurement.



### **Research, Development, Test and Evaluation:**

**Conference Report:** Provides \$50.6 million.

**Senate Committee-Reported Bill:** Provides \$92.3 million for Research, Development, Test, and Evaluation.

### **Drug Interdiction and Counter-Drug Activities, Defense (DICDA):**

**Conference Report:** Provides \$27.6 million.

**Senate Committee-Reported Bill:** Provides \$27.6 million for DICDA.

## **Division B – Emergency Supplemental Appropriations to address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006**

### **Title I – Emergency Supplemental Appropriations to address Hurricanes in the Gulf of Mexico**

The conference report provides \$29.00 billion for relief and recovery from the hurricanes that affected the southeastern United States, including Katrina, Rita, and Wilma. This level of funding is \$11.86 billion above the Administration's request. **This funding is completely offset** by reallocating previously appropriated funds, instituting 1-percent, across-the-board cut in FY06 discretionary spending (excluding funding for the Veterans Affairs Department and operations in Iraq and Afghanistan), and rescissions.<sup>1</sup>

**Chapter 1 – Agriculture:** Provides \$1.08 billion for the Department of Agriculture, which is \$589.9 million above the Administration's request. Of this funding, \$404.1 million is for the Emergency Forestry Conservation program and \$300.0 million is for the emergency watershed protection program.

**Chapter 2 – Defense:** Provides \$4.38 billion for the Department of Defense, which is \$740.1 million below the Administration's request. Of this funding, \$1.99 billion is for Navy shipbuilding and Conversion, \$1.95 billion is for Operation and Maintenance, and \$554.5 million is for Military Personnel.

**Chapter 3 – Energy & Water:** Provides \$2.90 billion for the Department of Energy and the Army Corps of Engineers, which is \$1.31 billion above the Administration's request. Of this funding, \$2.29 billion is for flood control and coastal emergencies. This funding will help complete authorized levee project around New Orleans, restore levees damaged by Hurricane Katrina, and complete Louisiana and Mississippi studies on increased hurricane protection for Category 5 protection.

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<sup>1</sup> See page 15 for a further discussion of offsets through the Gulf Coast Recovery Fund.

**Chapter 4 – Homeland Security:** Provides \$285.1 million for the Department of Homeland Security, which is \$145.6 million below the Administration’s request. Of this funding, \$132.0 million is for Coast Guard operating expenses and \$34.5 billion is for Customs and Border Protection.

**Chapter 5 – Interior:** Provides \$135.3 million for the Department of Interior, which is \$79.4 billion below the Administration’s request. Of this funding, \$30 million is for United States Fish and Wildlife Service Construction and \$57.0 million is for the Forest Service.

**Chapter 6 – Labor, Health and Human Services, and Education:** Provides \$2.37 billion for the Departments of Labor, Health and Human Services, and Education, which is \$1.65 billion above the Administration’s request. Of this funding, \$1.60 billion is for the Department of Education, \$640 million is for HHS, and \$125 million is for the Department of Labor.

To assist students displaced by the Gulf hurricanes, \$ 750 million shall be made available to state education agencies to assist schools in restarting their operations; \$5 million to provide assistance to schools serving homeless children and youths displaced by Hurricanes Katrina and Rita; \$645 million to provide emergency assistance to state and local education agencies to provide for the instruction of students displaced by Hurricanes Katrina and Rita served by such agencies; and \$200 million for students attending institutions of higher learning that were impacted by Hurricanes Katrina and Rita.

**Chapter 7 – Military Quality of Life/Veterans Affairs:** Provides \$2.04 billion for the Departments of Defense and Veterans Affairs, which is \$832.4 million below the Administration’s request. Of this funding, \$1.28 billion is for the Department of Defense and \$198.3 is for Veterans Affairs Medical Services.

**Chapter 8 – Science, State, Justice, Commerce:** Provides \$1.08 billion for the Departments of State, Justice and Commerce, which is \$103.0 million above the Administration’s request. Of this funding, \$441.0 million is for the Small Business Administration’s Disaster Loan Program, \$349.8 million is for repair to NASA facilities, and \$125.0 million for State and Local Law Enforcement.

**Chapter 9 – Transportation, Treasury, Housing and Urban Development:** Provides \$14.74 billion for the Departments of Transportation, Treasury, and Housing and Urban Development, which is \$10.02 billion above the Administration’s request. Of this funding, \$11.50 billion is for Community Development Block Grants for relief and mitigation activities (including housing assistance, infrastructure development, and assistance to public services). Also included in the Chapter 9 total is \$2.75 billion for the Federal Highway Administration’s Emergency Relief Program and \$390.3 million for Public and Indian Housing.

## **Title II – Pandemic Influenza**

The Conference report provides \$3.79 billion for pandemic influenza, including \$3.30 billion for the Department of Health and Human Services. Of this funding, \$2.75 billion is for vaccines, anti-virals, and any other countermeasures that HHS determines are necessary to

protect the health of Americans. Also included is \$350.0 million to aid State and local public health departments plan and exercise their key roles during a pandemic. In addition, \$150.0 million is provided for international and domestic surveillance and \$50 million is included for CDC lab capabilities and research.

The conference report provides targeted liability protections under State and Federal law for manufacturers and distributors of pandemic and epidemic products (including vaccines) and security countermeasures, in the event that the Secretary of Health and Human Services makes a declaration of a public health emergency as a result of a disease or other health condition. The bill also provides a process for establishing an emergency compensation fund that would provide compensation to individuals whose injuries or death are directly caused by the administration or use of a product covered by the emergency declaration

### **Title III – Rescission and Offsets**

(Budget authority, in millions)

<b>Agriculture</b>	<b><u>President's Request</u></b>	<b><u>Conference Agreement</u></b>
Natural Resources Conservation Service:		
Conservation Operations	-10.0	-10.0
Rural Utilities Service: High Energy Cost Grants	-30.3	- 30.3
Distance Learning-Telemedicine-Broadband		
Direct Loan Financing	-9.9	-9.9
Public Law 480 Title I Ocean Freight		
Differential Grants	-35.0	-35.0
Public Law 480 Title I Direct Credit and Food		
for Progress	-10.0	- 10.0
Food and Nutrition Service: Food Stamp Program	-37.0	-11.2
<b>Total</b>	<b>-132.2</b>	<b>-66.1</b>
<b>Defense:</b>		
Operation and Maintenance:		
Support for International Sporting Competitions	-26.0	0
Disposal of Dept. of Defense Real Property	-45.0	-45.0
Lease of Dept. of Defense Real Property	-30.0	-30.0
Overseas Military Facility Investment Recovery	-5.0	-5.0
RDT&E, Army	-48.6	0
<b>Total</b>	<b>-154.6</b>	<b>-80.0</b>
<b>Chapter 3, Energy and Water:</b>		
Interior: BurRec - Water and Related Resources	-183.0	- 183.0
Energy: Defense Site Acceleration Completion	-100.0	- 100.0
<b>Total</b>	<b>-283.0</b>	<b>- 283.0</b>

**Foreign Operations:**

AID: Assistance for the Independent States of the Former Soviet Union	-20.0	- 20.0
State Dept.: International Narcotics Control and Law Enforcement	-15.7	- 15.7
Andean Counterdrug Initiative	-9.3	- 9.3
Export-Import Bank	-25.0	-25.0
<b>Total</b>	<b>-45.0</b>	<b>-25.0</b>

**Homeland Security:**

US Coast Guard: Operating Expenses	-260.5	-260.5
Disaster Relief Fund	-17,130.0	-23,409.3
<b>Total</b>	<b>-17,390.5</b>	<b>-23,669.8</b>

**Interior/EPA:**

BLM: Management of Lands and Resources	-0.5	-0.5
Wildland Fire Management	-35.0	- 35.0
USFWS: Landowner Incentive Program	-2.0	-2.0
Private Stewardship Grants	-0.5	- 0.5
Cooperative Endangered Species Conservation Fund	-6.0	-1.0
State and Tribal Wildlife Grants	-5.0	- 5.0
National Park Service: National Recreation and Preservation	-6.7	- 6.7
Construction	-34.0	- 34.0
Land Acquisition and State Assistance	-28.3	- 28.3
Departmental Management: PILT	-5.0	- 5.0
EPA: State and Tribal Assistance Grants	-166.0	-166.0
Forest Service: State and Private Forestry	-9.0	-9.0
Wildfire Management	-500.0	-500.0
<b>Total</b>	<b>-797.9</b>	<b>-3.5</b>

**Labor/HHS/Education:**

Labor: ETA - Training and Employment Services	-70.0	-70.0
HHS: HRSA: Construction Facilities Improvement Program	-0.3	-0.3
Health Centers Loan Guarantee Program	-6.9	-6.9
Nursing Education Loan Repayment Program	-0.4	-0.4
Recall Federal Capital Contribution to Student Loan Revolving Funds	-100.0	-100.0
CDC: Disease Control, Research, and Training	-7.0	- 7.0
NIH: Buildings and Facilities	-15.0	-15.0
Education: Safe Schools and Citizenship Education	-5.0	-5.0
Office of Special Ed and Rehab Services: Special Education	-50.7	-50.7
Vocational and Adult Education	-95.3	-95.3
Corporation for Public Broadcasting: Program and		

Financing	-10.0	-10.0
<b>Total</b>	<b>-360.6</b>	<b>-360.6</b>

**Science/State/Justice/Commerce:**

Commerce: Emergency Steel Guaranteed Loan Program Account	-49.0	-49.0
NIST: Industrial Technology Services	-6.0	-7.0
State Dept. Diplomatic and Consular Programs	--	-10.0
State Dept. Embassy Security, Construction, Maintenance	-50.0	-20.0
BBG: Broadcasting Capital Improvements	-3.8	-3.8

Federal Communications Commission: Salaries and Expenses	-13.5	-13.5
<b>Total</b>	<b>-122.3</b>	<b>-37.0</b>

**Transportation/Treasury/HUD:**

Transportation: Highway Contract Authority: Offset to Emergency Relief Highways (Title I)	---	-525.0
Offset for Highway Scoring Change	---	-618.0
Amtrak	---	-8.3
Treasury: IRS: Processing, Assistance, and Management	-10.0	---
Health Insurance Tax Credit Administration	-10.0	---
HUD: Community Planning and Development: Brownfields Redevelopment	-24.0	---
Community Development Loan Guarantees	-6.0	-6.0
Housing Programs: Housing for Persons with Disabilities	-100.0	-100.0
<b>Total</b>	<b>-150.0</b>	<b>-1,151.3</b>

**General Provisions**

Across-The-Board Cut (1 Percent to All Non-Emergency Spending)*	---	-8,500.0
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<b>Total, Title III</b>	<b>-19,436.1</b>	<b>-33,532.7</b>
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\* Preliminary estimate, not scored by CBO. Agreement exempts VA.

## **Division C – American Energy Independence and Security Act of 2005**

Division C authorizes the exploration, leasing, development, production, and economically feasible and prudent transportation of oil and gas in and from the 1002 Coastal Plain Area of the Arctic National Wildlife Refuge.

### **Guidelines Governing Oil and Gas Leases**

It instructs the Secretary of the Interior to establish competitive and environmentally sound oil and gas leasing program, and to ensure that oil and gas exploration, development and production activities will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment.

The legislation deems the activities it authorizes with respect to the oil and gas leasing program compatible with the purposes for which the Arctic National Wildlife Refuge was established.

The legislation deems The Final Legislative Environmental Impact Statement on the Coastal Plain, dated April 1987, to satisfy the requirements of the National Environmental Policy Act (NEPA) for prelease activities. It also requires a new environmental impact statement before conducting the first lease sale. Moreover, the proposal limits the number of leasing alternatives the Secretary must analyze for its environmental effects and possible mitigation measures to a preferred action and a single leasing alternative.

The legislation designates the U.S. Court of Appeals for the District of Columbia as the exclusive court of jurisdiction for all complaints seeking judicial review of lease sales. In addition, the proposal specifies that the scope of judicial review regarding the Secretary's decision to conduct a lease sale, including the accompanying environmental analysis, is limited to whether the Secretary complied with the legislation, and must be based on the administrative record of that decision.

The legislation allows the Secretary to close, on a seasonal basis, portions of the Coastal Plain to exploratory drilling activities as necessary to protect caribou calving areas and other species, makes lessees of land within the Coastal Plain fully responsible and liable for the reclamation of land within the Coastal Plain and other federal and adversely affected by exploration and production activities.

## **Division D – Distribution of Revenues and Disaster Assistance**

The legislation designates 50 percent of the amount of adjusted bonus, rental, and royalty receipts from Federal oil and gas leasing to the Treasury, and 50 percent to the state of Alaska.

The legislation establishes the Gulf Coast Recovery and Disaster Prevention and Assistance Fund. Of the amount distributed to the Treasury from oil and gas receipts from the Coastal

Plain, 80 percent of adjusted bonus bids and rentals and 20 percent of royalty revenues shall be appropriated to the Fund. It also appropriates to the Fund amounts deposited in the Digital Transition and Public Safety Fund that exceed \$10 billion, up to a total of \$2 billion. Fifty-percent of the payments from the Fund shall be allocated to the state of Louisiana, 25 percent to the state of Mississippi, 10 percent to the state of Alaska, and 5 percent to the state of Florida.

The legislation appropriates an additional \$2 billion for the Low-Income Home Energy Assistance Program.

The legislation appropriates amounts from the Digital Transition and Public Safety Fund in excess of \$12 billion for various programs, including \$1 billion for agricultural conservation programs; \$50 million to carry out the North American Wetlands Conservation Act; \$50 million for the Fish and Wildlife Service to acquire permanent conservation easements from willing sellers for the National Wildlife Refuge System to protect critical grassland and wetland habitat; and \$2 billion for state and local governments to prepare for natural disaster and terrorist attack.

This legislation also appropriates from the general Treasury \$101 million, not otherwise appropriated, to the Department of Homeland Security for border protection; \$862 million for air and marine interdiction operations, maintenance and procurement; and \$120 million for construction; and additional funds related to law enforcement.

## **Division E – Public Readiness and Emergency Preparedness Act**

The conference report provides targeted liability protections under State and Federal law for manufacturers and distributors of pandemic and epidemic products (including vaccines) and security countermeasures, in the event that the Secretary of Health and Human Services makes a declaration of a public health emergency as a result of a disease or other health condition. The bill also provides a process for establishing an emergency compensation fund that would provide compensation to individuals whose injuries or death are directly caused by the administration or use of a product covered by the emergency declaration